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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/630,532	07/30/2003	Daniel R. Morris	037925.0005	9256
7590 Thomas F. Bergert Williams Mullen Suite 700 8270 Greensboro Drive McLean, VA 22102				
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EXAMINER				
MEYERS, MATTHEW S				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/630,532

Applicant(s)

MORRIS, DANIEL R.

Examiner

MATTHEW S. MEYERS

Art Unit

3689

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 March 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-31 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-31 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-946)
- 3) ☒ Information Disclosure Statement(s) (PTO/SF/ICE)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

1. This action is in response to applicant's communication on 3/20/08, wherein claims 1-31 are currently pending.
2. Examiner has issued a new non-final office action to address deficiencies in the prior office action of record. Examiner is withdrawing MERS aids electronic mortgage program; Mortgage Electronic Registration Systems In.; Cover Story, Mortgage Bankers Association of America, January 1997, No. 4, Vol. 57; Pg. 42 as a primary reference. This reference is being withdrawn because the reference does not specifically teach or disclose claim limitations such as "providing access to lien records", "identifying whether at least one lien holder is subject to an action for non-release of a lien", and repeating these steps. These deficiencies have been corrected and clarified in the present action by the addition of Feinberg (2002/0107703) as the primary reference for the claims. Additionally, Examiner has taken under consideration the prosecution or the other three co-pending applications.

Priority

1. Applicant's claim for the benefit of a prior-filed application under 35 U.S.C. 119(e) or under 35 U.S.C. 120, 121, or 365(c) is acknowledged.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-9, 19-20 and 23-29 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. In order for a method to be considered a "process" under §101, a claimed process must either: (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials). *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972). If neither of these requirements is met by the claim, the method is not a patent eligible process under §101 and is non-statutory subject matter.

With respect to claims 1-9 and 19-20, the claim language does not include the required tie or transformation and thus is directed to nonstatutory subject matter.

With respect to claims 23-29, applicant does provide a network-accessible server and user interface which is capable of accessing the server, but provides no positive recitation of the server actually being accessed or searched. These limitations are nominal ties to a particular machine and not enough to render the entire claim as statutory.

4. Claims 10-18 and 21-22 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter because they are drawn to a computer program per se. Computer programs per se intrinsically require no tangible physical structure, thus do not constitute tangible physical articles or other forms of

matter. Therefore, computer programs per se are not considered to be statutory subject matter. To be statutory, a computer program must be coupled with or combined with some statutory physical structure.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

7. **Claims 1-18** are rejected under 35 U.S.C. 103(a) as being unpatentable over Feinberg et al (Pub. No.: 2002/0107703) (Hereinafter referred to as Feinberg) in view of MERS® Integration Handbook, Vol. II, Version 11.0, May 19, 2002 (Hereinafter MERS® Integration Handbook).

8. With respect to **Claims 1 and 10**:

9. Feinberg discloses a method and system for managing lien releases, comprising the steps of:

- a. (a) providing access to lien records for a plurality of lien record-keeping jurisdictions, each of said lien records including a respective lien holder entry (Feinberg [0005], "Once the service provider receives payment, it is necessary to file a satisfaction or release of the lien A release or satisfaction is prepared with the recording number and other certain information required by law or rule, again often on a specialized form which may differ from jurisdiction to jurisdiction. The release is submitted to the proper agency and recorded.");
- b. b) identifying at least one lien where a note underlying the at least one lien has been satisfied, and identifying whether the at least one lien in said database is due for release (Feinberg Fig. 3, "receive notice of payment from client").
- c. (c) identifying whether at least one lien holder is subject to an action for non- release of a lien (Feinberg Fig 3, "receive notice of payment from client", "prepare lien release according to guidelines", and submit lien release to recording agency" and [0018], "The invention is applicable to the preparation, recordation, tracking and filing of many types of liens, assignments, stop notices and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.")
- d. (d) repeating steps (b) and (c) at given time intervals (Feinberg, "This invention relates generally to data processing, and more particularly to automatic preparation, recordation, tracking and filing of liens, assignments, and other legal

documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."); and

e. Feinberg discloses the above limitations. Additionally, Fienberg discloses receiving notice of payment from client which would include the identification of any lien holders due for release. Feinberg does not explicitly disclose (e) presenting a report of a subset of said lien records, said report including the identification of any liens due for release and any lien holders subject to penalty for non-release associated with said subset.

f. However, MERS® Integration Handbook teaches several different reports which present a report of a subset of liens due for release and those subject to action to penalty for non-release (MERS® Integration Handbook, Appendix D, Page 109). It would have been obvious to one of ordinary skill in the art at the time of the invention have to combined the MERS® Integration Handbook with Feinberg in order to have incorporated the methods and techniques that attorney's and other conveyance related personnel have been using for years into an automated system. One of ordinary skill in the arts would have been able to use the data accessed and identified in Feinberg to create the reports generated in MERS® Integration Handbook in order to present a report of a subset of liens which are due for release or subject to penalty, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.

10. With respect to **Claims 2 and 11:**

11. MERS® Integration Handbook discloses wherein step (e) is operable upon receiving a request (Page 109).
12. With respect to **Claims 3 and 12:**
13. MERS® Integration Handbook discloses wherein step (e) is operable upon detection of a change in said identified liens or lien holders (Appendix D and Page 109).
14. With respect to **Claims 4 and 13:**
15. MERS® Integration Handbook discloses the step of: (f) identifying released liens (Page 109 and Page 118).
16. With respect to **Claims 5 and 14:**
17. Feinberg discloses providing a database of jurisdictional- specific rules regarding lien releases (Feinberg [0016], "The release is prepared according to guidelines from each jurisdiction previously stored on the database.").
18. With respect to **Claims 6 and 15:**
19. Feinberg discloses the step of: (g) providing a database of documents associated with said rules (Feinberg [0016], "The release is prepared according to guidelines from each jurisdiction previously stored on the database.").
20. With respect to **Claims 7 and 16:**
21. MERS® Integration Handbook discloses wherein step (a) involves providing real-time access to said plurality of jurisdictions at substantially the same time (Page 8-10).
22. With respect to **Claims 8 and 17:**
23. MERS® Integration Handbook discloses wherein said given time intervals are established by individual request (Appendix D) (Examiner notes that there are several

different intervals for running reports, ranging from a users request, to daily, weekly, etc...).

24. With respect to **Claims 9 and 18:**

25. MERS® Integration Handbook discloses wherein steps .(a) through (e) are controlled by a network- accessible server (Page 8).

26. **Claims 19-22** are rejected under 35 U.S.C. 103(a) as being unpatentable over Feinberg in view MERS® Integration Handbook and further in view of Cohen (Pub. No.: 2003/0050891).

27. With respect to **Claims 19 and 21:**

28. Feinberg discloses a method and system for managing lien releases, comprising the steps of:

g. receiving transactional information related to at least one lien (Feinberg, Fig. 3);

h. providing at least one electronic document based on said transactional information (Feinberg Fig. 3, "submit lien release to recording agency" and [0016], "The release is prepared according to guidelines from each jurisdiction previously stored on the database.");

i. Feinberg does not explicitly disclose searching for said lien record, receiving search results associated with said lien record, or receiving search results associated with said lien record. MERS® Integration Handbook teaches searching for said lien record (MERS® Integration Handbook, Page 109 and 118), receiving search results associated with said lien record (MERS®

Integration Handbook, Page 118, "Lists MINs on which the lien release was sent..."), and presenting a report identifying a release status associated with said lien record (MERS® Integration Handbook, Page 118, "Lists MINs on which the lien release was sent..."). It would have been obvious to one of ordinary skill in the art at the time of the invention to have combined the MERS® Integration Handbook with Feinberg in order to have incorporated the methods and techniques that attorney's and other conveyance related personnel have been using for years into an automated system. One of ordinary skill in the arts would have been able to use the information received in Feinberg to run search reports for lien records and receive the related search results found in MERS® Integration Handbook, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.

j. Feinberg and MERS® Integration Handbook disclose all the above limitations. Neither Feinberg nor MERS® Integration Handbook explicitly disclose determining whether a lien record associated with said at least one lien can be tracked electronically and whether the at least one lien is due for release as a result of a note underlying the at least one lien having been satisfied.

k. Cohen teaches a method and system for registration and tracking of items which includes liens (Cohen [abs]). Cohen additionally, identifies where at least one lien where a note underlying the lien (Examiner notes that the Cohen reference explicitly discloses wherein the "item" described in the title of the

invention can be a lien) has been satisfied (Cohen, Fig 11, item 504, "Payee present check for payment") and then identifies whether the lien is due for release (Cohen Fig. 11, item 516, "Bank releases funds").

I. It would have been obvious to one of ordinary skill in the art at the time of the invention to have combined the above features disclosed in Feinberg and MERS® Integration Handbook with the method and system for registration and tracking of items in Cohen in order to enforce the lien releases and identify when they are due for release without having to contact any additional loan servicing agent. This would allow the user to access the electronic database in order to perform the proper checks and balances, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.

29. With respect to **Claims 20 and 22:**

30. MERS® Integration Handbook discloses wherein said searching step includes initiating communications to determine whether Said lien has been released to at least one of: a payoff lender, a settlement agent, a courthouse, a third party title insurance underwriter (Page 46, 109 and Page 118).

31. **Claims 23-26 and 28-31** are rejected under 35 U.S.C. 103(a) as being unpatentable over MERS® Integration Handbook in view of Cohen.

32. With respect to **Claims 23 and 30:**

33. MERS® Integration Handbook discloses a method and system for brokering lien release information, comprising the steps of:

m. providing a network-accessible server having access to lien record information for a plurality of lien record-keeping jurisdictions, said server further having access to a database of electronic documents associated with at least one lien status, and further having means for identifying a lien status based on transaction information and jurisdiction information associated with a lien (MERS® Integration Handbook, Pages 8, 46-48, 109 and 118);

n. providing at least one user interface capable of accessing said server for inputting identification and transaction information pertaining to at least one lien (MERS® Integration Handbook, Page 8 and 14)

o. providing at least one user interface capable of accessing said server for displaying status information related to at least one lien (MERS® Integration Handbook, Pages 14 and 118)

p. providing at least one user interface capable of accessing said server for requesting the generation of at least one document in connection with at least one lien (MERS® Integration Handbook, Page 118).

q. MERS® Integration Handbook discloses all the above limitations. However, MERS® Integration Handbook does not explicitly disclose providing at least one user interface capable of accessing said server for requesting at least one search in connection with at least one lien and for requesting the at least one lien has been released where a note underlying the at least one lien has been satisfied.

- r. Cohen teaches a method and system for registration and tracking of items which includes liens (Cohen [abs]). Cohen additionally, identifies where at least one lien where a note underlying the lien (Examiner notes that the Cohen reference explicitly discloses wherein the "item" described in the title of the invention can be a lien) has been satisfied (Cohen, Fig 11, item 504, "Payee present check for payment") and then identifies whether the lien is due for release (Cohen Fig. 11, item 516, "Bank releases funds").
- s. It would have been obvious to one of ordinary skill in the art at the time of the invention to have combined the access to lien records and identification of holders subject to an action of MERS® Integration Handbook with the method and system for registration and tracking of items in Cohen in order to enforce the lien releases and identify when they are due for release without having to contact any additional loan servicing agent. This would allow the user to access the electronic database in order to perform the proper checks and balances, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results.
34. With respect to **Claims 24 and 31**:
35. MERS® Integration Handbook discloses providing at least one user interface capable of accessing said server for requesting notification of a change in status information pertaining to at least one lien (MERS® Integration Handbook, Appendix D, Page 118).
36. With respect to **Claim 25**:

37. MERS® Integration Handbook discloses wherein said lien record information includes at least one of title information, recording information, indexing information, and financial information (MERS® Integration Handbook, Pages 46-48).

30. With respect to **Claim 26:**

38. MERS® Integration Handbook discloses wherein said lien transaction information includes at least one of a date of settlement, a date of disbursement and a date of notice of payoff payment to a lender (MERS® Integration Handbook, Pages 46-48).

39. With respect to **Claim 28:**

40. MERS® Integration Handbook discloses wherein said lien identification information includes at least one of an obligor, a lien holder, a loan amount, a payee identifier and a lien jurisdiction (MERS® Integration Handbook, Pages 46-48).

41. With respect to **Claim 29:**

42. MERS® Integration Handbook discloses wherein said lien status information includes at least one of pending payment, awaiting statutory limit expiration, queued for search, searched by title searcher, awaiting search results, awaiting settlement agency release, pending demand, released and disbursement archived (MERS® Integration Handbook, Pages 109 and 118).

43. **Claim 27** is rejected under 35 U.S.C. 103(a) as being unpatentable over MERS® Integration Handbook in view of Cohen as applied to claim 23-31 above, and further in view of Feinberg et al. (Pub. No.: US 2002/0107703) (Hereinafter referred to as Feinberg).

44. Neither MERS® Integration Handbook nor Cohen explicitly disclose wherein said lien jurisdiction information includes a statutory time limit for releasing liens upon satisfaction. However, Feinberg teaches a method and system for automated lien management which includes information regarding the statutory periods of individual jurisdictions. (Feinberg [0007], "The present invention provides a method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and~ other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset." and [0012], "The guidelines set forth the content and format of the information required to properly file a lien in each given jurisdiction. The guidelines are compiled from statutes, regulations, and local practice for each locale."). It would have been obvious to one of ordinary skill in the art at the time of the invention to have incorporated the statutory requirements which the Feinberg system maintains with the MERS electronic mortgage program in order to provide efficient tracking and of ownership and proper servicing on the loans with respect to jurisdictional requirements (MERS® Integration Handbook, Page 1).

Response to Arguments

Applicant's arguments with respect to claims 1-31 have been considered but are moot in view of the new ground(s) of rejection.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to MATTHEW S. MEYERS whose telephone number is (571)272-7943. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jan Mooneyham can be reached on (571) 272-6805. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Matthew S Meyers/
Examiner, Art Unit 3689

/Dennis Ruhl/
Primary Examiner, Art Unit 3689